

## MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting  
Lansing, Michigan  
March 28, 2002

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Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission (MAC), created by said act, met in the Michigan Bureau of Aeronautics 2<sup>nd</sup> Floor Commission Conference Room, 2700 E. Airport Service Drive, Lansing, Michigan, on Thursday, March 28, 2002, commencing at the hour of approximately 10:00 a.m.

### Members Present

Fred Rakunas, Vice Chair  
Lowell E. Kraft, Commissioner  
Alice Gustafson, Commissioner  
Sidney Adams, Jr., Commissioner  
Brig. Gen. Ron Seely, Commissioner  
Capt. John Ort, Commissioner  
Barbara Hayes, Commissioner  
William E. Gehman, Director  
Barbara Burris, Exec. Assistant

### Members Absent

Robert Bender, Chair  
Guy Gordon, Commissioner

### From the Bureau of Aeronautics

Oliver House, Airports Division  
Pauline Misjak, Aviation Services Division  
James Downer, Administration  
David Baker, Airports Division  
Gerry Edwards, Aviation Services Division  
Tom Krashen, Airports Division  
Steve Vertalka, Airports Division  
Rick Hammond, Airports Division  
Randy Coller, Airports Division  
Ron Lebbon, Airports Division

### Also Present

Archie Yawn, ATA/Northwest Airlines  
Pete Burgher, Former MAC Commissioner

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A list of all others present is attached to the official minutes.

The Vice Chair called the meeting to order at 10:00 a.m. He noted that the Chair, Bob Bender, was vacationing in Florida. He welcomed meeting regular, Archie Yawn of Northwest Airlines, and all others present. He advised that the meeting would be expedited to allow for the completion of the MAC agenda and the transition to the joint meeting at 11:00 in the auditorium with the State Transportation Commission.

I. COMMISSION BUSINESS

A. Minutes of November 28, 2001

As the first order of business, the Vice Chair entertained a motion to approve the minutes of January 23, 2002.

Moved by Commissioner Adams, with support from Commissioner Gustafson, to approve the minutes of January 23, 2002.

Hearing no further comment or discussion regarding the minutes, the Vice Chair called for a vote. MOTION CARRIED.

The Vice Chair called on David Baker, Programming Manager, Airports Division, to present the 19 airport improvement projects, as well as 14 security projects requiring supplemental funding, for Commission approval.

B. Airport Development Program

With the aid of slides, Mr. Baker briefed the Commissioners on the 19 airport improvement projects and responded to questions from the Commissioners.

Federal/State/Local and State/Local Projects

Location	Total Allocation	Project Description
Padgham Field Allegan	\$ 398,000	Rehabilitate Runway 10/28
Alpena County Regional Alpena	\$ 1,417,000	Expand Parking Lot and Hangar Area; Crack Seal Taxiways; Construct Freight Ramp; Relocate Security Fence; Mark Runways and Taxiways; Rehabilitate Vault
W.K. Kellogg Battle Creek	\$ 1,125,000	Construct Taxiway D; Improve Runway Safety Area

Antrim County Bellaire	\$ 109,667	Construct Taxistreets; Rehabilitate Taxiway
Tuscola Area Caro	\$ 287,233	Extend Runway 5/23
Delta County Escanaba	\$ 800,000	Relocate Entrance Road; Expand Parking Lot; Land Acquisition
Otsego County Gaylord	\$ 2,600,000	Rehabilitate and Widen Taxiway 9/27; High Intensity Runway Lights
Houghton County Memorial Hancock	\$ 722,000	Construct Perimeter Road; Purchase Snow Removal Equipment; Install Security Fencing
Livingston County Howell	\$ 137,000	Design of Wetland Mitigation
Mackinac Island Mackinac Island	\$ 40,000	Windsock; Runway End Identifier Lights
Manistee County-Blacker Manistee	\$ 333,333	Rehabilitate and Widen Runway 18/36
Sawyer International Marquette	\$ 1,080,000	Rehabilitate Runway Slabs
Brooks Field Marshall	\$ 265,333	Rehabilitate original Terminal Apron Area and Taxiway A; Security Fencing
Menominee-Marinette Twin Cities Menominee	\$ 166,667	Construct Taxistreets and Associated Drainage
Muskegon County Muskegon	\$ 1,136,000	Land Acquisition/Reimbursement
Oakland Southwest New Hudson	\$ 161,876	Runway Safety Area and Approach Clearing
Owosso Community Owosso	\$ 333,334	Extend Parallel Taxiway for Runway 10/28
Pellston Regional Pellston	\$ 3,000,000	Construct Terminal Building - Phase II
Paul C. Miller - Sparta Sparta	\$ 33,333	Rehabilitate Taxiway, Apron; Tree Clearing; Construct Taxistreets

Security Projects

Location	Total Allocation	Project Description
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Detroit Metro Wayne County Detroit	\$ 3,104,337	Security Projects and Costs
Delta County Escanaba	\$ 7,426	Security Projects and Costs
Bishop International Flint	\$ 242,884	Security Projects and Costs
Gerald R. Ford International Grand Rapids	\$ 689,309	Security Projects and Costs
Houghton County Memorial Hancock	\$ 15,065	Security Projects and Costs
Ford Iron Mountain	\$ 4,774	Security Projects and Costs
Kalamazoo/Battle Creek International Kalamazoo	\$ 762,065	Security Projects and Costs
Capital City Lansing	\$ 1,041,519	Security Projects and Costs
Sawyer International Marquette	\$ 27,958	Security Projects and Costs
Muskegon County Muskegon	\$ 33,058	Security Projects and Costs
Pellston Regional Pellston	\$ 1,538	Security Projects and Costs
MBS International Saginaw	\$ 286,672	Security Projects and Costs
Chippewa County International Sault Ste. Marie	\$ 9,315	Security Projects and Costs
Cherry Capital Airport Traverse City	\$ 184,705	Security Projects and Costs

When queried on problems relating to the safety areas at the Bellaire airport, Mr. Baker reported that the safety areas remain an issue. The bureau is in the process of putting together an extensive, as well as expensive, plan to address safety area concerns, including an environmental assessment. He related that after considerable discussion and compromise, the airport has agreed for the time being to remain a C-2 airport with jet-capable runways.

Mr. Baker presented a slide illustrating the projects in Michigan which will receive supplemental federal funding for airport security. He advised that the Department of Defense had allocated \$175 million to offset the costs associated with security measures implemented post September 11 at air carrier airports. Airports receiving funding for

security projects applied directly to the FAA for reimbursement of security enhancements planned for their respective airports. One hundred eighty non-hub airports throughout the country will receive 100 percent of the eligible project costs; 67 small hub airports will receive 50 percent funding for eligible project costs; and 66 medium and large hub airports will receive the remaining funding based on the number of enplanements at each airport.

Mr. Baker continued with a summary of the supplemental transfer previously approved by Director Gehman. This item is contained in the Report section of the Commissioners' blue books. The supplemental funding for Bad Axe constitutes an increase of \$16,000 in total funding for the design and extension of Runway 17/35.

A motion was made by Commissioner Kraft to approve the funding transfers for the 19 airport improvement and 14 supplemental security projects and to note the supplemental transfer of funding for Bad Axe. The motion was seconded by Commissioner Adams.

The Vice Chair opened the floor to additional dialogue. Hearing no further comments, he called for a vote on the motion. MOTION CARRIED.

The Vice Chair called on Rick Hammond, Compliance Officer, to present the next item on the agenda.

C. Airport Approach Plan Declarations

Through the aid of slides, Mr. Hammond briefed the Commission on approach protection plans for six airports: Chesaning, Iron Mountain, Ironwood, Plymouth-Mettetal, Sault Ste. Marie-Chippewa County, and Thompsonville—all part of the ongoing process begun by the bureau in 2001 to protect airports from encroachment. As with prior requests, the standards applied for each airport were in accordance with FAR Part 77 standards. He requested Commission approval for the six airport approach protection plans.

Queried by Commissioner Seely on the mechanics of the process, Mr. Hammond explained that the documentation, once approved by the Commission, would be sent to the airport manager with a transmittal letter explaining an obligation to file the information with the governmental entities surrounding the airport to allow for adoption into the master plan at the next update.

Director Gehman added that the process to protect airport approaches was adopted by the Michigan Legislature; that during a recent meeting of the Great Lakes States and the FAA, the process was discussed and favorably received; that as a result, other Great Lakes states will be looking at approach plans for their airports modeled after the one developed by Michigan

The Vice Chair entertained a motion to approve the six approach protection plans presented by Mr. Hammond.

Moved by Commissioner Seely, with support from Commissioner Adams, to approve the approach protection plans for Chesaning, Iron Mountain, Ironwood, Plymouth-Mettetal, Sault Ste. Marie-Chippewa County, and Thompsonville. MOTION CARRIED.

The Vice Chair called recalled Mr. Hammond to brief the Commission on changes to the Aeronautics Code.

## II. DISCUSSION

### A. Legislative Update

With the aid of slides, Mr. Hammond presented an overview of legislative updates to the Aeronautics Code, a process which has been ongoing for approximately one year. Completion of this process will bring the administrative rules and the Aeronautics Code in sync with the new standards for airport licensing, et cetera, and incorporate language relating to concealed weapons. He noted that these changes have passed smoothly through the Transportation Committee, with the exception and removal of language relating to the codification of authority to operate aircraft (air transport). The bureau has since been advised that the bill has a sponsor and that it will be introduced yet this year. Mr. Hammond noted that this change had been included in the original submission. The bureau will follow the bill closely in an attempt to secure passage.

Mr. Hammond discussed items still pending in the legislature; i.e., language to exempt larger aircraft from sales tax, and a companion relating to use tax. The department remains neutral on these issues. A bill relating to the earmarking of a portion of the sales tax to the Aeronautics Fund is also pending, as is its companion relating to use tax.

Mr. Hammond reported that the Governor had signed Senate Bill 690, which establishes an airport authority to operate the Detroit Metropolitan-Wayne County and Willow Run airports. He characterized the bill as the legislative answer or culmination of an approximately two-year investigation. Approval is expected from the FAA within 30 days.

Skipping to the Report Section, the Vice Chair permitted Mr. Hammond to continue with a briefing on the Zeeland Tower.

## IV. REPORTS

B. Zeeland Tower

For background purposes, Mr. Hammond explained that the issue involved a tower near the Ottawa Executive Airport and efforts on behalf of the bureau to secure lighting of the tower. He reported that many obstacles had been encountered over a two-year period. An application to construct a new tower in place of the old was submitted and rejected by the bureau. The owner then requested a hearing. The hearing, scheduled to coincide with the MAC meeting, was adjourned when the owner submitted a new application which included lights. The permit for the new tower has been approved. The bureau anticipates the tower will be erected in accordance with the approved application.

Upon questioning from Vice Chair Rakunas, Mr. Hammond reported that the bureau receives upwards of 1,500 applications for tower permits each year. Corrections to the Airport Directory and Aeronautical Chart based on the erection of towers are immeasurable.

Comments followed on the bureau's outstanding reputation for keeping the directory and chart timely and up to date.

The Vice Chair opened the floor to public comment from the audience.

III. PUBLIC COMMENT

Hearing no requests for comment from the audience, the Chair, upon consulting with the Director and Commissioners, returned to the formatted agenda.

He announced that the next meeting of the Commission would take place on May 15, 2002, at the Grosse Ile Airport.

He called on Oliver House, Airports Division Administrator, to speak on the Airport Safety and Protection Plan (item B under the Discussion items).

DISCUSSION, Continued:

B. Airport Safety & Protection Plan

Mr. House gave a brief overview of the five-year capital improvement program. The proposal, introduced February 7, as part of the Governor's 2003 Executive Budget by the State Budget Director, Don Gilmer, focuses primarily on safety and security at Michigan airports. The program is a five-year program, beginning 2002 and ending 2006, which combines federal, state, and local monies, and totals just over \$1 billion for the five-year

period. The federal portion, just under \$800 million, encompasses federal discretionary and entitlement dollars, and includes \$70 million for state funding.

The proposal covers projects at 96 of the Tier 1 and Tier 2 system airports. Some of the development items added for security purposes, particularly at air carrier airports, include items such as security access control, fencing, accommodating explosive detection devices, baggage screening equipment, secured baggage holding areas, secured passenger holding areas, carry-on baggage and passenger screening systems; employee screening systems, secured communication and surveillance cameras, and a new item for terminal blast analysis and modification. Other projects include replacement of parking capacity and security vehicles.

Though not as extensive, security modifications will be required for general aviation airports as well, including security and access control fencing, lighting of aprons, and access roads.

Funding of the program will be accomplished through a bonding proposal to provide funds of approximately \$60 million over the five-year period (\$12 million annually). The debt service obligation on the bonds would be supported by what is a current Detroit Metro Airport parking tax revenue, created by the state legislature in 1987 as a bailout package for Wayne County. The tax continues to be collected and generates somewhere between \$16 million and \$18 million annually, of which 80 percent goes to the general fund for Wayne County and 20 percent to the City of Romulus. The ASAP proposal would redirect \$6 million of the parking tax from the Wayne County portion annually to the State Aeronautics Fund, of which \$5 million would be used to leverage bonds to provide \$12 million in state money annually. When combined (\$1 million from the parking tax and \$1 million from the Aeronautics Fund), \$14 million in state funds would be available annually over the next five years. Legislatively, there are still issues to be confronted, as well as issues relating to the parking tax and the bonding proposal.

With respect to federal initiatives, Mr. House added that nationally, the Department of Defense had distributed \$175 million to 317 airports. Michigan's portion amounted to \$6.4 million. In addition, the Transportation Security Administration (TSA) began collecting a \$2.50 security fee on all air carrier passengers in February to cover the costs of national airport security. Air carriers, both domestic and foreign, are responsible for collecting this tax and sending it to the TSA. It is anticipated that \$900 million will be generated from this tax on an annual basis. Funds collected will be used for passenger and baggage screeners (employees of the TSA), security managers and law enforcement staff at airports, and the purchase of explosive detection systems. Currently, the amount collected is just enough to defray costs for screeners and employees but not enough for explosive detection devices.

Discussion ensued on the methods available for redirecting the parking tax.

The Vice Chair opened the floor again to comments from the audience.

PUBLIC COMMENT, Continued:

Addressing the Commission, Mr. John Balis inquired about the effect of diverting the parking tax away from Wayne County.

Commissioner Gustafson expressed a belief that the parking tax was due to sunset ; that it was enacted to meet a specific goal, which has been satisfied.

The Vice Chair requested that any additional questions concerning the ASAP program be deferred to the joint meeting with the State Transportation Commission.

Commissioner Kraft opined that critical infrastructure projects should not be overlooked at the expense of security. He asked whether the proposal was seeking sufficient funding.

Director Gehman outlined the process to secure funding for airports, begun some two years prior. At that time, the goal was \$14 million annually for state funding for airport programs. He indicated that the current proposal will provide the funding needed.

The Vice Chair related that a press conference had been held on the Tuesday previous, at which the Governor and Wayne County Executive Ed McNamara signed a joint policy for operating Detroit Metro and Willow Run airports. He held up a newspaper article from the Detroit News on the signing in which Commissioner Gustafson is pictured. He thanked Commissioner Gustafson for attending on behalf of the MAC.

The Vice Chair called on Randy Coller, Airports Division, who presented Mr. Kent Maurer, the new airport manager for Jackson County-Reynolds Field.

Mr. Maurer thanked the airport community of Jackson and the staff of the bureau for helping him to get established in his new position.

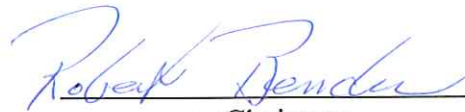
There being no further business to come before the Commission, the Vice Chair entertained a motion for adjournment.

It was moved by Commissioner Gustafson, with support from Commissioner Kraft, to adjourn. The meeting adjourned at 11:40 a.m. to allow for transition to the joint meeting with the State Transportation Commission in the Aeronautics Auditorium.


The next meeting of the Michigan Aeronautics Commission will be held on May 15, 2002, in Grosse Ile.



Director



Chairman



Dated

**MINUTES  
of the  
Joint Meeting  
of the  
State Transportation Commission  
and the  
Michigan Aeronautics Commission**

Thursday, March 28, 2002  
Michigan Aeronautics Bureau  
2700 E. Airport Service Drive  
Lansing, MI 48906  
11:00 A.M.

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**STATE TRANSPORTATION COMMISSION**

Members Present:

Bart LaBelle, Chairman  
Ted Wahby, Vice Chairman

Betty Jean Awrey, Commissioner  
Lowell Jackson, Commissioner

Members Absent:

John Garside, Commissioner

**MICHIGAN AERONAUTICS COMMISSION**

Members Present:

Fred Rakunas, Vice Chairman  
Alice J. Gustafson, Commissioner  
Lowell Kraft, Commissioner  
Sidney Adams, Commissioner

Brig. Gen. Ronald Seely, Commissioner  
Capt. John Ort, Commissioner  
William Gehman, Director

Members Absent:

Robert Bender, Chairman  
Guy Gordon, Commissioner

Also Present:

Patrick Isom, Legal Counsel  
Barbara Burris, Executive Assistant

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A list of all others present is attached to the official minutes.

## I. OPENING REMARKS

The Joint Meeting of the State Transportation Commission and the Aeronautics Commission was called to order by State Transportation Commission Chairman Barton LaBelle at 11:45 a.m. He welcomed the members of the Aeronautics Commission and guests in attendance. Deferring to Aeronautics Vice Chair Rakunas, he asked that the members of the Aeronautics Commission be introduced.

Vice Chair Rakunas noted that the Aeronautics Chair, Robert Bender, was on vacation in Florida. He proceeded to introduce the members of the Aeronautics Commission in attendance: Commissioners Seely, Ort, Kraft, Gustafson, and Adams, and Director Gehman.

Chairman LaBelle introduced the members of the State Transportation Commission: Commissioners Aurey, Wahby, and Jackson. He noted the absence of Commissioner Garside. In addition to Commissioners seated at the head table, he introduced Director Rosine and Charlie Krupka, State Transportation Commission Advisor.

Proceeding to the joint agenda, he called on Matthew Brinker, Air Service Specialist, Bureau of Aeronautics, to brief the Commissions on the status of air carrier recovery post September 11.

### PRESENTATIONS:

#### Status Update on Air Carrier Airports Post 9/11

With the aid of slides, Mr. Brinker provided an overview of the air carrier industry post September 11, and the impact on Michigan airports in particular.

Comparing different segments of the industry, he noted that many smaller operators of turboprop aircraft had been severely affected by the events of September 11, due to their operating in smaller markets and providing service to smaller communities. Graphs depicting this segment indicated a massive drop in scheduled service post September 11, and a slight recovery toward year's end.

Regional jet operators were the least impacted by the events of September 11, experiencing a decline in operations of about six percent from pre-9/11. Slides for this segment showed a flattened curve following the attacks of September 11, and a slight recovery in November and December based solely on the versatility of the aircraft. Mr. Brinker noted that post September 11, many mainline air carriers went to regional jets for markets previously served by larger aircraft because they are less costly to operate.

Mr. Brinker defined load factor (100 percent load factor equals 100 percent capacity) and demonstrated how the industry had fared over the past 20 years in terms of load factor—below 60 percent in the early eighties up to and exceeding 70 percent over the past few years. To achieve greater load factor, the airlines would routinely pack more people into the aircraft at

reduced fares. This resulted in an occasional denied boarding but provided more opportunity for travel at a lower fare. In the mid 90s, the airlines were exceeding the load factor and making a profit. An economic slowdown over the past couple of years shows a tapering off in terms of the load factor. Graphs depicted a spiking in 2001, due to increased security and administrative costs associated with 9/11. People weren't flying, so load factors were down. At the same time, costs to operate increased.

In another slide Mr. Brinker presented a graph reflecting expected versus actual revenues of all airlines in the industry. United Airlines experienced the largest reduction, with one third less revenue than initially anticipated. Overall, the industry lost approximately \$3.5 billion between September and October.

The net income for scheduled air carriers was exceptionally good between the mid to late 90s. This was followed by the biggest loss to the industry ever in 2001. Forecasts for 2001 in terms of net profit were already down due to the economic downturn prior to 9/11. Losses to the industry almost doubled as a result of the 9/11 (approximately \$7.5 billion through the end of 2001).

Mr. Brinker discussed recovery initiatives designed to get people back on the aircraft. The Air Transportation Safety and Stabilization Act (essentially a bailout/loan program), infused \$5 billion into the industry to offset the losses at the end of 2001. A number of carriers have taken advantage of the Air Carrier Loan Program, a \$10 billion program which is still in effect.

With regard to smaller airports, a federal program known as Essential Air Service (EAS), set up after deregulation to preserve service to smaller communities, bumped funding up to \$113 million. EAS airports fared much better than any of the other airports in the state. The three airports receiving EAS subsidy were protected under the program, and the subsidy kept flowing as long as the carrier continued to operate regardless of how many passengers were on the aircraft. The EAS program played a critical role in preserving service at these three airports.

Other industry cost reduction initiatives included early fleet retirement. Many of the air carriers are taking advantage of this to operate lower-cost aircraft and eliminate less efficient and more expensive to operate aircraft. Additional initiatives involved routine staff layoffs and furloughs, and the elimination of travel agency commissions. "This goes a long way to illustrate the domino effect of 9/11." Many of the affected industries who won't benefit from a bailout or recovery program suffer nonetheless.

Mr. Brinker continued with a series of slides depicting the impact on the 17 air carrier airports in the state with scheduled air service, three of which receive EAS subsidy: Iron Mountain, Iron Wood, and Manistee. Flint, Grand Rapids, and Detroit Metro were down five percent, 18 percent, and 25 percent, respectively, in terms of available seats. Statewide, the industry saw a 20 percent reduction in capacity, slightly below the national average. He ascribed this to the fact that some of the EAS airports continued to operate and had excess seats available. Kalamazoo Airport experienced an increase in service in February over 2001, due to an increase in service by express carriers U.S. Airways and United Express. With the exception of three airports, the

industry has started to turn the corner and make a recovery from the October measurements. Traverse City and Pellston, which are considered seasonal, are anticipating an increase in service with springtime schedules. Mr. Brinker noted that Northwest Airlink had discontinued service to Escanaba in January, which explains the numbers being lower in terms of departures.

Statewide, enplanements followed a close trend until September, with a huge drop-off in the number of people boarding in September. Enplanements recovered somewhat in October through December of 2001. Most industry analysts predict that it will be the end of the year before enplanements are back up to pre-September 11 schedules.

To assist in recovery efforts, the state will continue to focus on preservation issues through the Airport Awareness program, and will participate in the "Small Community Air Service Development" pilot program. Security and safety will continue to be paramount. Staff will continue to work at the federal level with the Governor's Office to try to enhance the EAS program and will use the resources available through the various programs to assist the airports wherever possible.

The Chair thanked Mr. Brinker for a very comprehensive update. He called on Phil Johnson, Deputy Director of Aeronautics for the Gerald R. Ford International Airport in Grand Rapids.

#### Air Carrier Airport Security

Using PowerPoint, Mr. Johnson presented an overview of security measures at air carrier airports post September 11, focusing primarily on the efforts at the Gerald R. Ford (GRF) Airport.

The Transportation Security Administration (TSA), an outgrowth of the Aviation and Transportation Security Act, has taken over security functions from the Federal Aviation Administration. The TSA was created for all modes of transportation. Although concentrating on aviation now, the agency will be turning its attention to other modes of transportation as well. Ports are scheduled for review in approximately June. The TSA creates an Undersecretary of Transportation Security. John Magaw has been appointed by the President to fill this position. The TSA will become the largest agency created in the federal government since the Defense Department, with 60,000 to 80,000 screeners and total personnel approximating 100,000.

The TSA assumed the FAA's civil aviation security functions on February 19<sup>th</sup> by assuming the existing contracts at security checkpoints for all the airlines. The TSA will assume security responsibilities for other modes of transportation in the future.

The TSA is charged with overseeing day-to-day security screening at airports. It will manage and provide guidance to federal security managers. Federal security directors will be hired for each of the airports to oversee background checks of personnel, as well as the implementation and assurance of adequate security measures; they will distribute intelligence as it is received to the appropriate parties, and develop responses to threats. They will serve as primary liaison to intelligence and law enforcement officer (LEO) communities, and enforce regulations and

requirements.

All security screeners will be federal employees. They will be responsible for screening not only passengers but baggage. Currently, they are working at passenger checkpoints, but they will also be responsible for checked baggage that goes into the cargo holds of the aircraft. Screening will be supervised by uniform personnel of the TSA, who will be in charge at the checkpoints. At least one LEO will be stationed at each screening location and perhaps more at larger airports.

The GRF Airport is currently working with the TSA to try to accommodate this requirement and provide local enforcement to supplement and serve as the federal LEO until such time as a TSA can assume the position. This action relieves the National Guard of responsibilities they have been performing over the past six months.

The undersecretary will establish federal security directors (FSDs) at each airport. Eight FSDs have been approved thus far by Transportation Secretary Norman Mineta, and another 25 are expected to be announced in the upcoming weeks for the larger airports.

Screeners are prohibited from striking or participating in work stoppage, a unique requirement to federal employees. The transition to federal screeners is expected to be accomplished within one year. At this point in time, screeners that have been providing service through a private contractor are continuing to perform this service under federal supervision. Contracts may be extended up to nine months. The DOT may authorize additional law enforcement, such as the National Guard..

Mr. Johnson highlighted the pilot program for private screeners. After the first year, five airports will participate in the pilot program, which would have private contractors do the screening, and again reporting to the TSA. The federal government would oversee the screening and provide law enforcement. The TSA could terminate the contract if standards are not being met. With an opt-out clause, two years after the transition all airports have the option to continue with federal screeners or make a request to the federal government to contract with private contractors. Airports themselves may not assume the screening function.

All checked baggage must be screened within 60 days. Although this effort is not being accomplished by equipment at present, it is being screened by a number of acceptable methods in response to the legislation, typically through a bag-match program. This is considered an interim measure. The TSA will ensure that explosive detection systems (EDS) are deployed as soon as possible and no later than by year's end.

The TSA also has a requirement through the legislation to appoint additional security personnel deemed necessary for airport perimeter and secured areas. The undersecretary has prescribed requirements for ensuring the same level of protection for passengers and their bags. A pilot program has been created for 20 airports to test and evaluate new and emerging technology. Orlando, Florida, for example is currently testing full body scanning equipment; Baltimore-Washington is involved in testing, as well. The DOT is required to make recommendations to

airport operators on measures and procedures to prevent access to secured areas. Methods to accomplish this are still being studied. Airports are required to implement security awareness programs.

Mr. Johnson indicated that there has been much debate surrounding the 300-foot rule. A prohibition exists against unauthorized vehicles parked within 300 feet of an airport. He noted that some airports have been able to open up parking within 300 feet by inspecting vehicles as they enter this area. Within the legislation, there is an exception to the 300 foot rule which states that if airport operators, in consultation with state and local law enforcement, have determined sufficient safeguards are in place, they may submit and certify to the TSA in writing for a determination on whether this rule may be lifted or modified. He stated that a number of airports are looking at doing this.

All employees with unescorted access to aircraft, secured areas, or regularly escorted, will have to go through a criminal history background check/fingerprint phase. The GRF Airport has completed training on an electronic fingerprint scanning system, where all 700 employees of the airport that have access to the secured areas will be required to submit their fingerprints through a clearing house to the FBI for a background check.

Other provisions in the law relate to flight deck integrity, the federal air marshall program, general aviation, and charter security.

The GRF Airport is one of 15 airports selected by the TSA to study security procedures and processes. From that, models will be developed to implement and improve security. The GRF study was completed in February with the data having been submitted to the TSA for modeling purposes. The GRF Airport was also selected as the first airport to test out 100 percent baggage screening by explosive detection systems. Understanding that the airports will not be able to meet the December 31 deadline for 100 percent baggage screening using explosive detection systems, the TSA is currently conducting pilot projects at airports to look at alternate methods. The GRF Airport has been chosen for the explosive detection system program. Norfolk Airport in Virginia is currently testing 100 percent trace detection, where baggage is swabbed for residue of explosives. It is anticipated that six cat scan machines will be installed at the GRF Airport around April in the vicinity of ticket counters. The pilot project will determine optimum locations for the equipment and minimize impact on passenger processing, with the results being used for modeling and implementation at other airports.

The GRF Airport is also one of the first airports to be selected by the TSA for full federal implementation of security screening checkpoints. Over the next few months, the TSA will be working at implementing a full federal workforce at the airport. A permanent federal security director is expected to be installed in April, a full federal workforce by May, and reconfiguration of screening checkpoints immediately thereafter. So-called swat teams will arrive at the airport, take over the security checkpoints, and relieve the current employees performing those duties to participate in an assessment to determine their capabilities and whether they will be hired as federal screeners. If the former employees meet those requirements, they will complete a one-

week training process and return for on-the-job training with the swat team that has come in to run the checkpoint. After a three- week period, the team will move on to another airport, leaving behind a full federal workforce. The swat team will also examine the configuration of checkpoints to ensure a smooth processing flow.

Chairman LaBelle inquired about the possibility of an advance clearing process.

Mr. Johnson responded that debate is ongoing on this issue, including a preferred traveler program for those individuals who frequently travel and are willing to subject themselves to increased background checks to acquire this preferred status. The concern with regard to this approach is that the process be impenetrable.

Chairman LaBelle thanked Mr. Johnson. He called on Tom Krashen of the Bureau of Aeronautics to present the next item on the agenda.

#### General Aviation Airport Security

Prior to Mr. Krashen's PowerPoint presentation, a document illustrating the bureau's suggested security plan for general aviation airports was distributed to the Commissioners.

With some exception, the FAA's approach to security has been towards air carrier airports. Exceptions would involve restrictions of general aviation airports around the Washington, D.C. area. The FAA's approach to general aviation security has emphasized flight operations, rather than airport restrictions or mandates for general aviation airports. These include temporary flight restrictions around football games and large gatherings, and a prohibition against loitering over dams and nuclear power plants. The FAA is currently evaluating security issues that deal with general aviation, such as requiring photo pilot identification. Debate has taken place regarding a requirement for a medical certificate prior to beginning flight training.

Mr. Krashen noted that Michigan's general aviation security plan, like that of other states, has evolved over FAA's lack of involvement in the area. States in the Great Lakes area have consulted and have decided to become proactive with regard to implementation of a security program for GA airports.

Michigan's involvement in general aviation security began quickly after the events of September 11, as a result of a request from the FAA for assistance in notifying general aviation airports of flight restrictions, shutdowns in air space, et cetera. As a result of that, the Bureau of Aeronautics developed a notification plan, which has been used three times to date, most notably when the FAA issued emergency flight restrictions around the nation's nuclear power plants, effectively shutting down a number of airports in Michigan.

In October, the Aeronautics Commission delegated authority to issue emergency flight restrictions to the Director of the Commission. At the November MAC meeting, the Commission, after careful reflection, approved a plan requiring all general aviation utility

airports, the larger of the GA airports, submit an emergency security plan to the Commission. These plans will be submitted through the inspection cycle. The bureau has been careful not to mandate what the security plan must contain since different airports have different needs.

The bureau has developed a best practice approach to suggest what the airports should address. Mr. Krashen noted that it is not the bureau's intent to write the plan for the airports. Vigilance is one of the three components; then action (suggestions for what the airport might do); and, most important, communication. "A lot of security for GA airports simply involves looking at what's going on and taking a security audit of the current standards." Concerns exist with regard to open gates and signage. The bureau provides signs and locks to airports as part of a licensing package. There is concern over the interchangeability of aircraft keys, and as a result some airports are looking at prop locks on the aircraft to prevent theft and locking their hangars.

Other practices suggested by the bureau include surveillance of parking lots and working with local law enforcement to patrol the airport on a regular basis. To avoid overreaction to the situation and unfunded mandates, and to minimize costs and inconvenience for legitimate users, the bureau has recommended a common sense approach to security at general aviation airports.

Mr. Krashen invited questions from the Commissioners. No questions were forthcoming.

A suggestion was made by Director Gehman that due to the lateness of the hour the last two reports be deferred to a later date.

Chairman LaBelle voiced concurrence with the director's suggestion. He asked that any written documentation or summaries be provided to the Commissioners for a later review. He invited public comment from the audience.

There being no comments from the public, nor further business to come before the Commissions, the meeting was adjourned by Chairman LaBelle at approximately 12:20 p.m.

Respectfully submitted by Barbara Burris, Executive Assistant to the Michigan Aeronautics Commission.